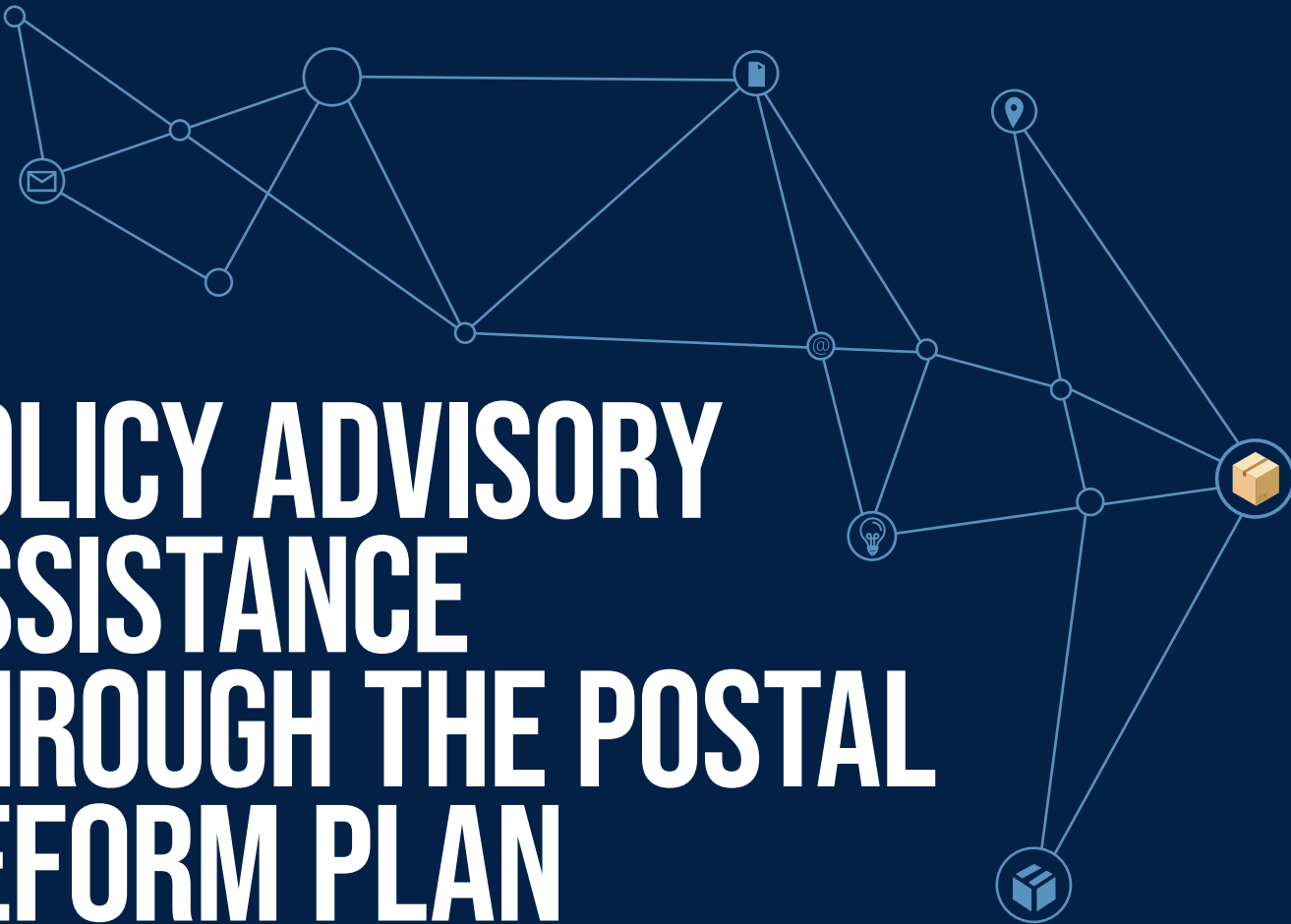


POSTAL REFORM PLAN



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POLICY ADVISORY ASSISTANCE THROUGH THE POSTAL REFORM PLAN

All over the world, postal laws are enacted, secondary legislation and decisions are adopted, and policies relevant to the postal sector are set and implemented. These instruments define postal services, including the rights and obligations for the provision of a universal postal service, and present a vision in terms of the role of the postal service in society, government and business. A robust policy and regulatory framework for the postal sector can enable economic growth, ensure social inclusion, attract investment, facilitate domestic and cross-border trade, support innovation, and provide the foundation for a vital infrastructure that connects citizens, businesses and government.

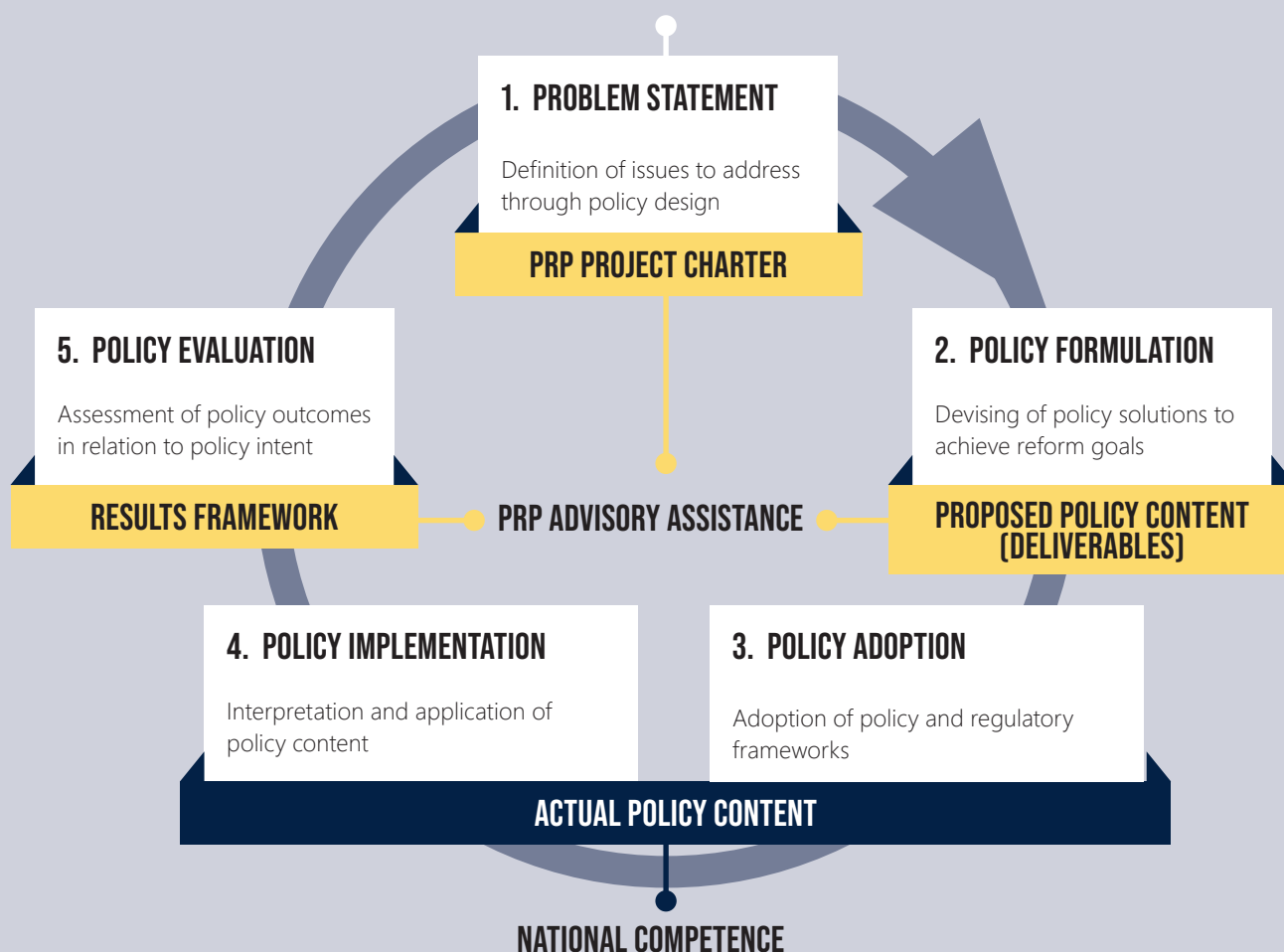
Against a backdrop of societal, economic and technological developments, combined with market liberalization and changing consumer behavior, new realities are driving the need for postal sector modernization and reform in order to meet the changing needs and expectations for postal services. Global trends, such as declining letter volumes and the economic shift to e-commerce, require governments to regularly review their postal policy and regulatory frameworks to ensure that these remain relevant, and to find new ways for citizens and businesses to effectively participate in the digital economy.

As these trends and developments accelerate, postal reform increasingly finds its way to the national policy agenda.

The **Postal Reform Plan (PRP)** is the UPU policy advisory assistance framework that supports member countries undertaking efforts to reform their postal sector to respond to trends and promote the sector as a provider of relevant solutions to advance public policy goals. The PRP offers a structured and controlled environment for the development of evidence-based and results-focused sector policy, and a framework for measuring the effectiveness of the policy, once implemented. The PRP framework is supported by the various modules of the Postal Reform Guide, which contains the substantive information, theoretical and practical models, best practices, and guidelines relevant to different areas of postal sector policy.

The PRP is outcome-focused. The deliverables it produces are the proposed policy content, including actionable recommendations for implementation, and a framework for post-implementation evaluation.

STAGES OF (NATIONAL) POLICY PROCESS



Role of the PRP in postal policy development

A policy cycle framework simplifies policymaking by organizing it into sequential stages offering explanatory insights. Because of the nexus with PRP advisory assistance, the assumption is that the national policy process follows a sequence of these five steps:

Problem statement – Identifying and clearly specifying the reason for undertaking postal reform. This is a necessary step at the start of a PRP-driven postal reform project and is documented in the PRP project charter, giving the specific mandate for policy advisory assistance in postal reform.

Policy formulation – Generating the policy options informed by policy analysis. The PRP deliverables encompass a draft policy content, including recommendations for implementation and a framework for post-implementation evaluation of the measures taken.

Policy adoption – Adoption or enactment of the relevant policy instruments in accordance with national approval or legislative procedures.

Policy implementation – The immediate effect given to the adopted policy and regulatory instruments through concrete actions. In the PRP methodology this process is referred to as “immediate outcomes” and must be understood in terms of the actual practical application of the policy decisions taken.

Policy evaluation – Monitoring, evaluation and annual reporting after the adoption and implementation of the policy instruments. The PRP operationalizes policy evaluation through its results framework, for which the objectives, indicators and targets were established in the policy formulation stage.

Scope

No two postal reform projects are the same. The reform goals define the extent of the envisaged policy intervention.

There are many different ways in which the goal of any reform project can be defined. The goals of postal reform can be formal and focused on the institutional, or the reform can have a specific substantive policy focus. Reform can be narrowly defined (i.e. targeted), or it can be broad and cut across sectors. Reform goals can be vertical (embedded in broader policy goals) or transversal (cutting across different sectors). Reform can vary from incremental to completely transformative.



Postal reform can be described as:

Incremental

A process of modernization, bringing systems, working methods and services up to speed with current knowledge and technologies

Evolutionary

Making gradual changes that build on existing structures – core focus on addressing longstanding problems or inefficiencies

Structural

Comprehensive changes having a wide impact on both all relevant sector stakeholders and the environment in which they operate

Transformative

A systemic shift that would reinvent the concept of postal services or fundamentally alter the way the sector is defined

Policy focus areas

The PRP provides four main policy focus areas, each of which covers a core part of the postal sector reform. While each area provides a different perspective for reform, in most situations, they inevitably overlap.

Focus area 1 *Postal sector policy* centres on the broader postal ecosystem, enabling it to evolve as a critical driver of national infrastructure and development.

Focus area 2 A robust *regulatory framework*, as a system of laws, rules and policies that govern how postal services operate, aims to balance competition, consumer protection, universal service provision, and the evolution of the market.

Focus area 3 The *universal postal service* encompasses all policies geared towards the permanent provision of quality basic postal services at all points in a member country's territory, for all customers, at affordable prices.

Focus area 4 The area centred on the *postal operator* discusses strategies to adapt to a rapidly changing technological and socio-economic landscape, to meet new market demands and respond to global trends

Menu approach to reform

The **Postal Reform Guide** provides detailed information for each of the policy focus areas and serves as a book of knowledge on postal sector reform. Each of the focus areas breaks down into modules that cover different topics or knowledge areas.

There are a total of 19 different postal reform modules. Early on in the project, the relevant modules are identified.

In accordance with the principle of tailoring (PRP principle 2), focus areas and individual modules are combined as relevant to the postal reform goals described in the project charter (visual contains an example of a possible combination of modules). This menu approach to policy advisory assistance produces bespoke policy solutions that respond to the unique national circumstances and specific needs for policy advice.

| Focus area 1 | Focus area 2 | Focus area 3 | Focus area 4 |
|-----------------------------|--------------------------------|----------------------------------|-------------------------------------|
| POSTAL SECTOR POLICY | REGULATORY FRAMEWORK | UNIVERSAL POSTAL SERVICE | POSTAL OPERATOR |
| 1A - Definitions | 2A - Regulatory framework | 3A - Definition and scope | 4A – Designation of UPS provider |
| 1B - Data-driven reform | 2B - Economic regulation | 3B - Service conditions | 4B - Digital transformation |
| 1C - Reform goals | 2C - Regulatory authority | 3C – Financing of UPS | 4C - Sustainable development |
| 1D - Resource mobilization | 2D - Licensing systems | | 4D - Diversification |
| 1E - Evaluation | 2E - Transversal policy issues | | 4E - Cost accounting |
| | 2F - Enforcement mechanisms | | |

PRP core methodology

The PRP framework is a combination of thematic areas (focus or knowledge areas), project management stages and results-based management. The framework methodology does not prescribe a one-size-fits-all solution, but is flexible and adaptable to diverse national contexts, enabling governments, regulators and postal operators to address challenges specific to their circumstances.

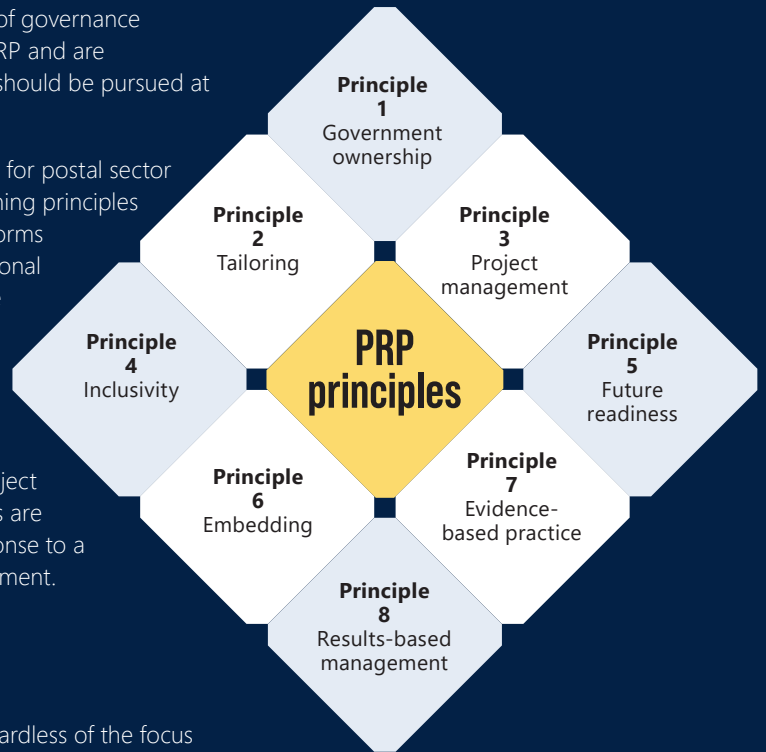
Whether the focus is on foundational reforms or efforts to modernize postal services, including digital transformation and diversification, the PRP methodology ensures a systematic and coherent approach.

(1) Governance principles

Under the PRP, policy advisory assistance responds to a set of governance principles that run across every management stage of the PRP and are fundamental to successful reform. As such, these principles should be pursued at all times.

The PRP is designed to provide a comprehensive framework for postal sector reform, adaptable to each country's unique context. Its defining principles are fundamental to its ability to facilitate effective postal reforms and the transformation of postal services across diverse national contexts. These principles ensure that the deliverables of the PRP projects are actionable and aligned with both national development goals and global postal sector trends.

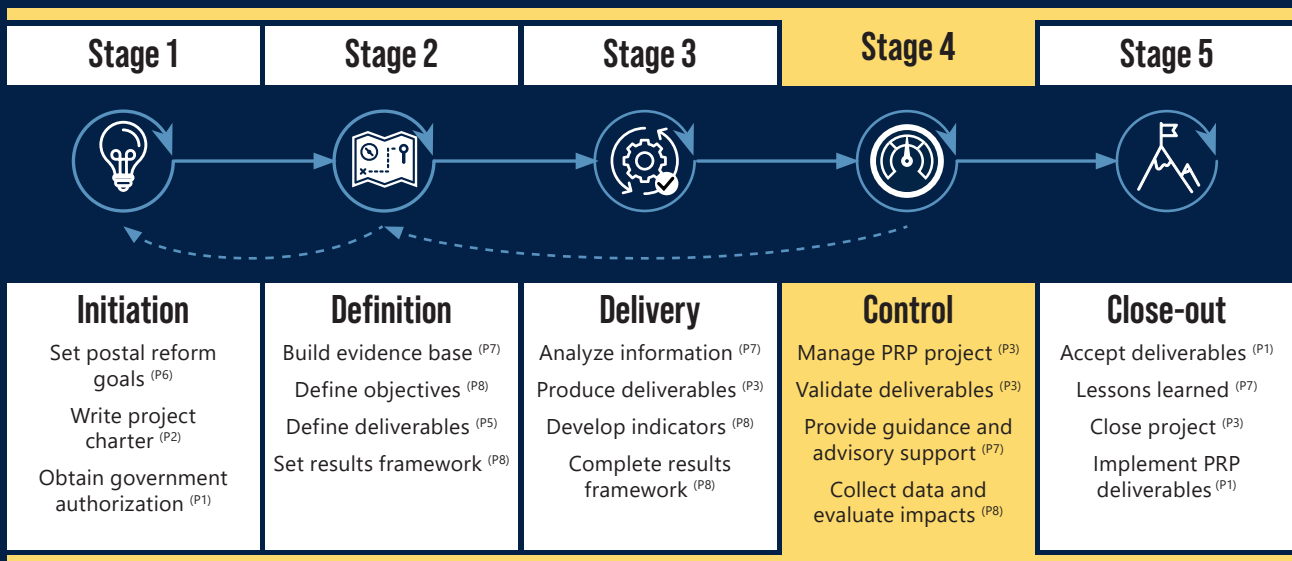
These governance principles must be consistently applied in all management stages of the PRP project. Through their application throughout the PRP lifecycle and in the post-project policy evaluation, these principles ensure that postal reforms are forward-looking, inclusive and evidence-based in their response to a rapidly changing socio-economic and technological environment.



(2) Controlled environment

PRP projects are managed in a controlled environment. Regardless of the focus area or the primary priorities, every PRP project follows the five stages of initiation (stage 1), definition (stage 2), delivery (stage 3), control (stage 4) and close-out (stage 5).

Each stage is carefully designed to build on the previous one, ensuring a coherent and adaptable reform plan that addresses current needs and future challenges.



Stage 4 (control) is different from the other stages as it consists of processes to track, review and regulate the progress and performance of the project, as well as identifying any areas where changes to the plan are required. Monitoring is an intrinsic part of stage 4 and requires the collection of project performance information; this stage thus occurs in parallel to the other stages of the PRP project.

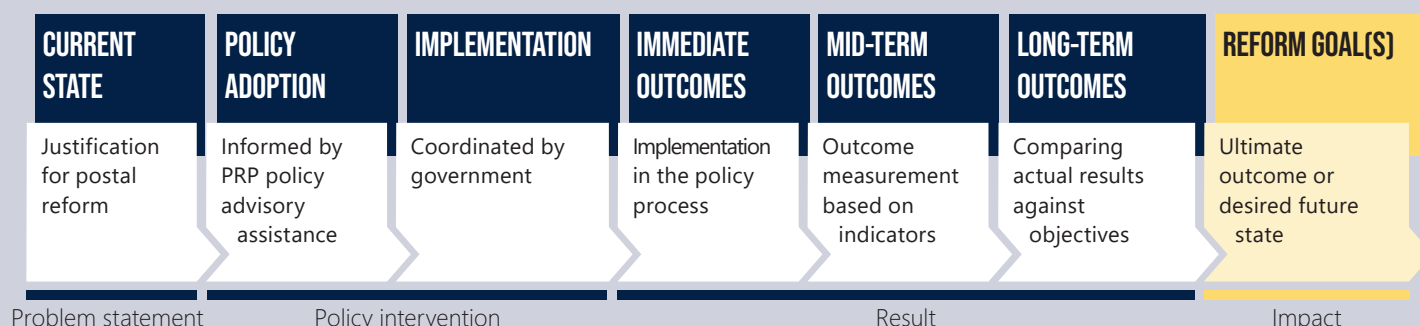
Stage 4 continues post-project, when the deliverables have been accepted by the competent authority. After the project close-out, the outcomes are measured and analyzed to determine the impact of postal reform.

(Px) indicates the corresponding PRP principle

(3) Managing results

The PRP applies a modified version of the theory of change, which is based on four main elements: (1) the problem statement, (2) the intervention, (3) the result, and (4) the impact. In the application of this theory, the PRP uses a “results framework” as a sequenced process of groups of activities, starting with the identification of a “need” for postal reform and ending with a measurement of the impact of the postal reform efforts.

This framework breaks complex change into manageable building blocks or steps, with one step leading to another, making it easier to identify and sequence the course of policy action during the PRP project and to track the effects of policy efforts after the deliverables have been implemented by the government.



(4) Bringing it all together

The results framework is a vital component of the PRP, ensuring that the reform process is designed, monitored and evaluated in alignment with its intended goals and objectives. Drawing on results-based management, the results framework establishes clear connections between reform goals, postal sector-specific objectives, proposed policy content (deliverables), outcomes (immediate, intermediate and long-term) and, ultimately, impacts, creating a structured pathway for achieving reform goals.

Synchronizing project management and results-based management, the PRP results framework starts with the identification of objectives (stage 2), derived from the reform goals set out in the project charter (drawn up in stage 1). The performance of the reform policies is measurable through the associated indicators, which are completed with baselines and targets (and included among the deliverables finalized in stage 3). These indicators provide benchmarks for assessing progress and enable a robust performance evaluation system to assess the effectiveness of the reform process (stage 4).

As the visual below depicts, the results framework is integrated into the PRP project management framework and forms a mandatory component of every postal reform project.

The PRP provides tools, such as templates and documented practices, to support the integration of a results framework in postal policy reform.

| | Stage 1 | Stage 2 | Stage 3 | Stage 4 | Stage 5 |
|---------------------|---|---|---|---|---|
| Problem statement | Justification PRP activity 1.3 | Situation analysis PRP activity 2.2 | | | |
| Policy intervention | Reform goals (set) PRP activity 1.4 | Objectives (set) PRP activity 2.3 | Deliverables (produce) PRP activity 3.6 | Validation PRP activity 4.2 | Implementation PRP activity 5.4 |
| Results | | | | Outcomes (measure) PRP activity 4.4 | |
| Impact | | | Indicators (set) PRP activity 3.3 | Impacts (measure) PRP activity 4.4 | |

The PRP project management framework details activities that guide the conduct of policy advisory assistance in postal reform. Of a total of 28 activities, those depicted in the visual above are at the core of the results framework.



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GOING FURTHER

| | | |
|--|---|--|
| <h3>POSTAL REFORM TOOLKIT</h3> <p>PRP policy advisory assistance uses the Postal Reform Plan, the Postal Reform Guide, the PRP tools, and a repository of best practices and learnings from completed reform projects.</p> | <h3>POSTAL REFORM PLAN</h3> <p>The UPU’s policy advisory assistance framework for project and results management of sector reform.</p> | <h3>POSTAL REFORM GUIDE</h3> <p>The reference guide containing comprehensive information in relation to 19 knowledge areas (modules)</p> |
| <h3>TOOLS & TEMPLATES</h3> <p>PRP management tools, including the PRP project charter and the results framework</p> | <h3>BEST PRACTICES</h3> <p>Learnings and materials for knowledge sharing to benefit future postal sector reform projects (in development)</p> | <h3>OTHER RESOURCES</h3> <p>The UPU organizes workshops, regulatory discussion forums, conferences and studies, and maintains databases.</p> |

WANT TO KNOW MORE? REACH OUT TO:

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